# Home Improvement Contractors New Application

# State of Arkansas CONTRACTORS LICENSING BOARD



\$50.00 Filing Fee - NON-REFUNDABLE

MAIL TO:

CONTRACTORS LICENSING BOARD 4100 RICHARDS ROAD NORTH LITTLE ROCK, ARKANSAS 72117 Main Phone Number (501) 372-4661

> FAX Number (501) 372-2247 Web Site: www.arkansas.gov/clb

PLEASE READ THE INSTRUCTIONS ON PAGE 3 & 4 BEFORE COMPLETING THIS APPLICATION.

# Home Improvement Contractors New Application

# Type of License Applying For

You can apply for a "limited license" or an "unlimited license".

With a "<u>limited license</u>" you can **ONLY** do residential home improvement projects that are \$20,000 or less, including, but not limited to, labor and material.

With an <u>"unlimited license"</u> you can do residential home improvement projects of any size.

se check t	he box for the license you are applying for
	"Limited License"  ("Limited license" means you can ONLY do residential home improvement projects that are \$20,000 or less, including, but not limited to, labor and material.  See page 3 for instructions.)
	"Unlimited License"  ("Unlimited license" means you can do residential home improvement projects of any size.  See page 4 for instructions.)

# "LIMITED"

# HOME IMPROVEMENT CONTRACTOR'S

## Instructions/Checklist

Your completed application must be in this office <u>ten (10)</u> <u>business days prior to a committee meeting</u> to be reviewed. If your application is not complete, you have 90 days from the date we receive the application to send the missing items. After the 90 days, another application and another fee will be required.

- 1. \$50.00 for the filing fee made payable to the Contractors Licensing Board (Fee is NON-REFUNDABLE). CASH NOT ACCEPTED.
- 2. Complete Page 2.
- 3. Complete Page 5.
  - a. If applying as an individual, put your name in the "company or individual name" space.
  - b. If applying as something other than an individual (Corporation, LLC, etc.), put the company name in the "company or individual name" space.
  - c. Indicate the type of entity applying for a license by circling one of the options.
  - d. Complete the remainder of page 5.
- 4. Specialty(s).

<u>Circle</u> on page 6 the specialty(s) being requested.

5. Experience.

The experience information on page 7 must show proof of experience for the specialty(s) being requested on page 6. If you are seeking multiple specialties, it may be necessary to provide information on more than one project. A Specialty will not be included on your license if you do not provide proof of experience in that specialty

- 6. Complete Page 8.
- 7. Complete Page 9.
  - a. If the applicant is a Corporation, LLC, LP or a Partnership, provide the information requested.
  - b. Provide a list of all owners of the business who own 10% or more, along with each person's Social Security Number.
  - c. If you are applying as a Corporation, LLC, or LP you will need to attach a <u>copy</u> of the Articles/Filings from your entity's Secretary of State's Office. Also, if you have registered a fictitious name for this company you will need to attach a <u>copy</u> of the fictitious name registration.
- 8. Complete Page 10, must be signed, and notarized. The notary signature and seal must be included. If you are applying as a Corporation, LLC, Partnership, etc., complete the top affidavit. If you are applying as an individual, complete the bottom affidavit.

# "UNLIMITED"

### HOME IMPROVEMENT CONTRACTORS

## Instructions/Checklist

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- 8. Complete page 10, must be signed, and notarized. The notary signature and seal must be included. If you are applying as a Corporation, LLC, Partnership, etc., complete the top affidavit. If you are applying as an individual, complete the bottom affidavit.
- 9. We must have a balance sheet showing a positive net worth. We have provided a balance sheet form on our web site for your convenience if needed at www.arkansas.gov/clb.
- 10. All applicants must provide a "certificate of insurance" showing Worker's Compensation coverage for the entity name in which you are applying for, as it will appear on the license. Certificates of NON-COVERAGE are "NOT" acceptable, for licensing purposes only, if you are unable to provide Worker's Compensation Insurance, you might what to consider applying for a "Limited" license, see page 3. The license can be approved but not released without this Worker's Compensation certificate of insurance.

# Home Improvement Contractors New Application

Filing Fee:	ID#:	
Type of License:	Limited	Unlimited
PRINT NAME OF INDIVIDUAL OR FIRM AS YOU INDIVIDUAL, YOU MUST USE THE EXACT NAMI APPLICANTS MUST CONDUCT THEIR CONTRA LICENSE	E AS REGISTERED WITH TH	HE SECRETARY OF STATE OFFICE.
Company or Individual Name		
D/B/A Name(Doing Business As) Indicate the type of entity seeking a license b		
INDIVIDUAL CORPORATION	PARTNERSHIP LI	LC LP OTHER
If applying as Corporation / LLC, list the Fe	ederal ID#	
If applying as an Individual, LLC, or Partner members, or partners	•	
Mailing Address	City	State
Zip Code		
County/Parish		
Name of Person to Contact with Any Question	ons	
Contact Phone		
Fax Number		
E-mail Address		
Complete the following in (The "qualifier" is the person		erson that will be the qualifier ands pages 11 through 13.)
Name	Social Security #	
	ime paid employee (with er, member, or partner of lved in the day to day ope	W-2 income)  f the company and is actively

#### "Home Improvement Specialties"

**The Residential "Remodeler" License it has its own application!** If you want the Residential "Remodeler" specialty download and complete the Residential Remodeler New Application at <a href="https://www.arkansas.gov/clb">www.arkansas.gov/clb</a>.

Proof of experience performing the type of work requested is required on page 7 in order to receive any specialty(s). We must have experience for each specialty. Ex: If you are asking for the painting specialty you must have painting experience and so on. A contractor may obtain one or more of the Specialties by showing references for each specialty requested.

#### **Specialties:** (Circle below the specialty(s) being requested.)

Awnings, Canopies

Base & Paving

- a. Base Construction
- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

**Boat Docks** 

Carpentry, Framing, Millwork, Cabinets

Ceilings, Wall Systems, Acoustical Treatments

Chimneys, Fireplaces

Communication, Computer or Sound Systems, Cabling

Concrete

Countertops

Central Vacuum Systems

Demolition

Detached Garage, Storage Building, Detached Structures

Drywall

Excavation

Fencing, Gates

Floors, Floor Covering

Foundation Construction or Drilling, Pile Driving, Stabilization

Glass, Glazing, Doors, Windows, Hardware

Grading & Drainage (Including Grading, Drainage, Pipe & Structures,

Culverts, Clearing, Grubbing & Rip Rap)

Greenhouses, Sunrooms

Insulation

Kitchen, Bathroom Renovations

Landscaping, Irrigation, Lawn Sprinkler Systems, Streams

Lathe, Plaster, Stucco, Dryvit, EIFS

Masonry

Metal Studs, Walls

Overhead Doors

Painting, Wallcovering

Rebar

Retaining Walls

Roofing, Roof Decks

Siding, Soffit, Facia, Gutters

Skylights, Solar Systems

Special Coatings or Applications, Caulking, Waterproofing

Steel, Alloy, Ornamental, Metal Fabrication, Welding

Swimming Pools, Spas

Tile, Terrazzo, Marble

# Experience Information (If additional space is needed please attach separately.) ANSWER ALL OF THE FOLLOWING QUESTIONS

Project #1	Project #2
Date construction was started	Date construction was started
Date construction was completed	Date construction was completed
Owner's name	Owner's name
Owner's address	Owner's address
Type of Work	
Location of construction	
County	
City	
State	
Project #3	Project #4
Date construction was started	
Date construction was completed	
Owner's name	Owner's name
Owner's address	Owner's address
Type of Work	Type of Work
Location of construction	
County	
City	City
State	State
Project #5	
Date construction was started	
Date construction was completed	<del></del>
Owner's name	<del></del>
Owner's address	
Type of Work	
Location of construction	
County	
City	<u></u>
State	

#### **APPLICANT'S INFORMATION**

<u>Note:</u> The Word "You" means, for the purpose of the following questions, this organization, any officer of the company, the qualifier of this company, you, or anyone who owns 10% or more of the entity.

1. In	dicate the	type of entity seeking a lic	ense by circling one o	f the cho	ices bel	ow:	
IN	DIVIDUA	AL CORPORATION	PARTNERSHIP	LLC	LP	OTHER	
2. H	ow long h	nas your organization been	in business as a contra	actor und	er your	present business name?	
3. H	ow many	years of work experience of	loes the trade or classi	fication of	qualifie	r for this license have?	
Yes	_ No	4. Have you ever failed to separately a statement		awarded	to you?	(See definition of "you"	above) If yes, attach
Yes	_ No	5. Have you ever been an construction contract? (Sindividual, other organi	ee definition of "you"	'above)	If yes,		
Yes	_ No	6. Have you filed bankrupthe last ten (10) years? (S as to why bankruptcy halisting the creditors and	ee definition of "you" ad to be filed along w	above) v <b>ith a co</b> j	If yes, a	nttach separately details e document prepared by	and an explanation
Yes	_ No	7. Have you ever been coand an explanation.	nvicted of a felony? (	(See defii	nition o	f "you" above) If yes, att	ach separately details
Yes	_ No	8. Do you or any construction judgments, or pending lit an explanation.					
Yes	_ No	9. Have you ever had a constate? (See definition of "					n this or any other
Yes	_ No	10. Have you ever been p Arkansas Residential Co <b>explanation.</b>				as Contractors Licensing ove) If yes, attach separa	
Yes	_ No	11. Have you ever had a (See definition of "you"					any other state?
Yes	_ No	12. Do you knowingly em of "you" above)	aploy individual(s) wit	hout lega	al autho	rity to work in the United	States? (See definition
Yes	No United	13. Do you knowingly hi States? (See definition of '		ndent con	tractor(	s), who do not have legal	authority to work in the
Yes	_ No	14. Are you legally author	orized to work in the U	Inited Sta	ites? (S	ee definition of "you" abo	ove)
Yes	_ No	15. Do you understand the subcontractors, of worked of your contractor's licentractor's licentra	rs without legal author	rity to wo	ork in th	ne United States can lead	

## **CORPORATION, LLC, or LP DATA:**

Date Company Incorporated			
* Date Registered at Arkansas Secretary of S	State (501-682-3	3409) as a Foreign Entity	
		vork in the State of Arkansas if you are a	
foreign entity.)	•	•	
• •			
President		SSN	
Vice-President		SSN	
Secretary		SSN	
Treasurer		SSN	
	OR		
	UN	-	
PARTNERSHIP DATA:			
Date Partnership Formed	<del></del>		
State whether partnership is general, limited	or associated:		
State whether partnership is general, infinted	or associated.		
List all stockholders, members, er nortner	re who own 10	% or more interest in this entity (please pr	·int
each name) along with their Social Se		V 2 2	ші
each name) along with their Social Se	curity number	of Enth if a Company of LLC.	
	_		-
	_		-
	_		-
	_		-

Revised 4/2012 9.

# **AFFIDAVIT FOR COMPANY** (Corporation, LLC, LP or Partnership)

Ι,	, being duly sworn/affirmed, state under oath:
	, being duly sworn/affirmed, state under oath:
That I am(Position held)	of; (Company Name)
Further, that the foregoing statement of experience and correct; Further, that I am familiar with that the financial statement(s) and any accordant records of said company and form a true Further, that the foregoing statements of experience and records are foregoing statements of experience and the state of Arkansas, and the Committee with any information necessary to the Contractors Licensing Board, or its representations.	(Company Name) erience and all statements contained within this application, including attachments are true the books and records of the above mentioned company showing its financial condition in manying financial data attached hereto (or submitted separately) are taken from the book e and accurate statement of the financial condition of said company as of the date shown perience and financial condition are submitted to the Contractors Licensing Board or the for the express purpose of inducing the Board or Committee to license the applicant as at any depository, vendor or state agency is hereby authorized to supply such Board or to verify these statements. Any agency of the State of Arkansas is authorized to release to resentative, or the Residential Building Contractors Committee, or its representative, and liance with A.C.A § 17-25-101 et seq., or A.C.A. § 17-25-501 et seq.
	(Applicant Signature Here)
State of County of Acknowledged before me, this day of My Commission expires:	., 20
(Notary Public Signature) & Seal	
AFFII	DAVIT FOR INDIVIDUAL
	being duly sworn/affirmed, states under oath:
correct; Further, that the financial statemer taken from my books and records and form the foregoing statements of experience and Building Contractors Committee for the exp in the State of Arkansas, and that any deposit any information necessary to verify these statements and the statement of the contraction of the	and all statements contained within this application, including attachments are true and any accompanying financial data attached hereto (or submitted separately) are a true and accurate statement of my financial condition as of the date shown; Further, that financial condition are submitted to the Contractors Licensing Board or the Residential press purpose of inducing the Board or Committee to license the applicant as a contractor itory, vendor or state agency is hereby authorized to supply such Board or Committee with attements. Any agency of the State of Arkansas is authorized to release to the Contractor the Residential Building Contractors Committee, or its representative, any information A.C.A § 17-25-101 et seq., or A.C.A. § 17-25-501 et seq.
	(Applicant Signature Here)
State of County of Acknowledged before me, this day of My Commission expires:	·
(Notary Public Signature) & Seal	

### **HOME IMPROVEMENT**

#### **Test Information**

Please Carefully Read The Following Information. By Signing The Application For A License, You Are Certifying That You Have Read And Understand All The Information Provided In This Form.

#### THE PURPOSE OF THE COMMERCIAL AND RESIDENTIAL LICENSING LAW

- The main purpose of licensing is to protect the health, safety, and welfare of the public.
- The law states the requirements to obtain a license, the standards that are required to obtain and maintain a license, and provides the authority for the Arkansas Contractors Licensing Board and Arkansas Residential Contractors Committee to hold disciplinary hearings against contractors who do not follow the law.
- The Arkansas Contractors Licensing Board is an agency of the State of Arkansas that regulates the issuance of licenses for commercial contractors in the State of Arkansas pursuant to Ark. Code Ann. § 17-25-101 through 17-25-315. The Board also regulates the Arkansas State Contractors Bond Law pursuant to Ark. Code Ann. § 17-25-401 through 17-25-409.
- The Arkansas Residential Contractors Committee is an agency of the State of Arkansas that regulates the issuance of licenses for residential building contractors, remodeling contractors and home improvement contractors in the State of Arkansas pursuant to Ark. Code Ann. § 17-25-501 through 17-25-515.

#### WHO NEEDS A COMMERCIAL LICENSE

- The commercial law is intended to include all improvements, demolition, or structures exempting only single family residences. Ark. Code Ann. § 17-25-101©. Single family residences are defined as any project consisting of one but not more than four units constructed for residential occupancy. Any project consisting of five or more units is considered multifamily housing and would be considered a commercial project.
- A commercial contractors license is required when the cost of the work to be done by the contractor including, but not limited to, labor and materials is \$20,000 or more. The commercial law applies to both prime contractors and subcontractors.
- The penalty for acting as a commercial contractor without first being licensed is \$100 to \$400 per day, not to exceed 3 percent of the total project being performed by the contractor.
- The Board may revoke the license of a commercial contractor found guilty of fraud or deceit in obtaining a license, for aiding or abetting any contractor or person to violate the provisions of the contractors licensing law, or for gross negligence, incompetence, or misconduct in the conduct of the contractor's business.
- Licensed contractors are required to cooperate with investigations by providing the Board with all relevant information requested. Failure to cooperate or to timely provide the board with relevant information as requested may constitute misconduct and subject the contractor to revocation of the contractor's license.

#### WHO NEEDS A RESIDENTIAL BUILDER LICENSE OR A HOME IMPROVEMENT LICENSE

- The residential law applies to work done on all single family residence, defined as any project consisting of one but not more than four units constructed for residential occupancy.
- A residential building contractor is one who acts as a contractor in the construction of a single family residences or the property and structures appurtenant thereto.
- A home improvement contractor is one who acts as a contractor in the reconstruction, alteration, renovation, repair, modification, improvement, removal, demolition, or addition to any preexisting single family residence or the property and structures appurtenant thereto.
- A Home Improvement license is required when a contractor performs work over \$2,000, including labor and materials, on a residential project. A "Limited" license limits contractors to projects less than \$20,000. An unlimited license allows the Home Improvement contractor to perform any size project.

#### **Test Information (cont)**

- The following are exemptions to the residential builder and home improvement licensing requirements: (1) owners are exempt from licensure when acting as the contractor in the construction of his or her residence unless he or she builds more than one residence during any calendar year (2) owners acting as his or her own home improvement contractor on his or her own property (3) subcontractors working for a properly licensed contractors and (4) contractors licensed by other licensing agencies or boards if the contractor is performing work within the scope of that license.
- The penalty for working as a residential or home improvement contractor without first being licensed is \$100 to \$400 per day.
- The committee may revoke the license of a residential builder and home improvement contractor found guilty of fraud or deceit in obtaining a license, for aiding or abetting any contractor or person to violate the provisions of the contractors licensing law, or for gross negligence, incompetence, or misconduct in the conduct of the contractor's business.
- Licensed contractors are required to cooperate with investigations by providing the committee with all relevant information requested. Failure to cooperate or to timely provide the committee with relevant information as requested may constitute misconduct and subject the contractor to revocation of the contractor's license.

#### **BUILDING CODE**

- Arkansas Building Codes are mandatory statewide minimums.
- The Arkansas Building Code is adopted by the State Fire Marshal's office. It is a part of the Fire Prevention Code. The Code applies Statewide, even in rural and unincorporated areas. Arkansas is currently under the 2007 Edition of the Code.
- The Code can be purchased from the International Code Council. The Code can also be purchased from the Arkansas Fire Training Academy Book Store: 870-574-4510.
- Failure to comply with the Building Codes could subject a licensed contractor to disciplinary action by the Arkansas Contractors Board or Residential Contractors Committee.

#### **WORKERS COMPENSATION**

- All Residential Builders and Unlimited Home Improvement contractors are required to show proof of workers compensation insurance in order to obtain a license. Limited Home Improvement contractors do not.
- Those contractors who are not required to show proof of workers compensation to obtain their license still may be required to obtain it pursuant to the workers compensation laws. According to Ark. Code Ann. § 11-9-102, generally all contractors with at least one employee are required to have workers compensation insurance by the Workers Compensation Commission. Enforcement of this workers compensation requirement is performed by the Workers Compensation Commission.

#### LIEN LAW

- Every state, including Arkansas, permits a person who supplies labor or materials for a construction project to claim a lien against the improved property. The lien serves to "cloud" the title and can be an effective method for securing payment for the labor or materials used improving the property. If there is a lien on the improved property, the owner may not sell the property with a clear title and it may be foreclosed in a lawsuit.
- Important Notice A contractor on all residential projects is required to give notice of the potential for a lien to be filed to the owner of a project before the commencement of the work. This notice if given by the prime contractor is good for all subcontractors and suppliers as well.
- If the important notice is not given, (1) potential lien claimants may not enforce a lien on the project (2) the contractor could be subject to a criminal prosecution and (3) the contractor could be barred from bringing an action to enforce any provision of the contract.
- The notice must be given exactly as it is stated in the statutes.
- In order to enforce any lien that is filed, it is imperative that you strictly comply with the notices and time frames required in the statutes. It may be necessary to consult an attorney prior to beginning the lien process to ensure that it has been done properly.

#### **Test Information (cont)**

#### **CONTRACTS**

- The main purpose in contracts is to prevent disputes between parties entering into agreements. While a verbal contract may be enforced, disputes may arise as to the terms of the agreement. Therefore, it is strongly suggested that all contracts be in writing so there will be no questions regarding the terms that were agreed to by both parties.
- All contracts should set out scope of work, compensation, time frames for work and payments. This protects both the homeowner and the contractor.
- Just like the original contract any "change order" that is not in writing may lead to a dispute as to what was agreed upon. For your protection, it is strongly recommended that all change orders be in writing and agreed to by the homeowner and contractor.

#### **FINANCIALS**

- All Residential Builders and Unlimited Home Improvement contractors are required to submit a compiled financial statement
  with their application and renewal application showing a positive net work excluding the applicant's homestead and
  retirement accounts. A Limited Home Improvement contractor is not required to submit a balance sheet.
- A "balance sheet" is a financial statement that lists all assets (such as cash, accounts receivable, equipment, etc.) on one side and all liabilities (such as accounts payable, loans, etc.) on the other. If the total dollar value of the assets is more than the total dollar value of the liabilities then the contractor has a "positive net worth." If, however, the total dollar value of the assets is less than the total dollar value of the liabilities, then the contractor has a "negative net worth."